

**CALIFORNIA HIGH-SPEED RAIL AUTHORITY
MEETING MINUTES
January 29, 2007
SACRAMENTO, CALIFORNIA**

The meeting of the California High-Speed Rail Authority was called to order on January 29th at 10:10 a.m. at the State Capital Building, Sacramento, CA.

Members Present: Quentin Kopp, Chair
Fran Florez, Vice Chair
Marc Adelman, Vice Chair
Lynn Schenk
Rod Diridon, Sr.

Opening Comments

Chair Kopp welcomed the audience to today's meeting.

Approval of Meeting Minutes for the following Authority Meetings:

Chair Kopp presented the minutes from the December 13th 2006 meeting for approval. Member Adelman moved to approve the December minutes, Member Schenk seconded, which carried 5-0.

Authority Members' Meetings for Compensation

Chair Kopp presented the list of meetings for compensation for approval. Member Diridon moved to approve the list of meetings for compensation, Member Adelman seconded, which carried 5-0.

Member Reports

Chair Kopp reported that on November 28th he made a high-speed rail presentation in Anaheim to the Transportation Committee of the California State Association of Counties. In attendance at the presentation was JoLinda Thompson of the California Association of High-Speed Rail Trains. At the conclusion of the presentation, the committee adopted a motion by Supervisor Bill Dodd of Napa County to support the Authority's endeavor to obtain the full amount requested from the Governor for the High-Speed Rail's 2007/2008 fiscal year budget. The committee adopted a similar motion to support the 2008 Bond Measure for High-Speed Rail. The recommendations from the Transportation Committee will be transmitted to the Executive Committee of CSAC for action.

Chair Kopp reported that on January 12th he addressed the League of California Cities Transportation Committee along with Member Florez. A similar motion to support the High-Speed Rail project was adopted by the Committee.

Chair Kopp reported that on January 16th he and Executive Director Morshed had a meeting in the Governor's Office after the Governor's Budget was released. Chair Kopp conveyed the Authority's disappointment in the budget and relayed the realistic fact that the Authority must currently depend on the Legislature to

provide the support for the high-speed rail project as the Legislature considers the state budget for 2007/2008.

Chair Kopp reported that the Governor's Office stated that, around the beginning of March, there will be the naming of all the gubernatorial selections for commissioners including those for High-Speed Rail.

Chair Kopp reported that on January 16th he and Executive Director Morshed met with Senator Ducheny, Senator Steinberg, Senator Florez, AssemblyMember Ma , AssemblyMember Ruskin, Assembly Member Laird and Senator Torkleson. The reception at these meetings was positive and supportive and meetings with the members of the Legislature will continue for the Authority.

Executive Director's Report

Executive Director Morshed reported this month has been a busy time for staff as they worked on contracts during the office remodel. There has been a great deal of office disruption without the use of phones or computers and sometimes without chairs. Mr. Brand and Mr. Daniels have been very understanding as they have had to work in the office during the reconstruction. We are working on settling into the new office space and hiring more staff.

Executive Director Morshed announced that the Senate Rules Committee has reappointed Chair Kopp to the Board for another four years.

Executive Director Morshed reported that the Governor released his State budget for 2007/2008. The Authority had requested \$103 million dollars to continue the work started this fiscal year with the negotiation of new contracts; however, the proposed budget only included \$1.1 million dollars to keep the current staff employed and the office open. Executive Director Morshed reported that in the same budget, the Governor's Office included a request to postpone the High-Speed Rail 2008 Bond measure indefinitely. Chair Kopp reminded the board that the removal of the bond measure would be difficult because it would require a two-thirds vote from each house of the Legislature and the signature of the Governor.

Chair Kopp reported that the Executive Director and staff had formulated a budget request and has acted to work with the Legislature to get the funds. Chair Kopp reported that the requested \$103 million for the Authority includes: \$12 million for the Project Manager, \$52.5 million for the preliminary Environmental Design, \$38.5 million for the acquisition of right-of-ways, \$750,000 for Visual Simulations and \$250,000 for staff. Six contracts have already been executed by this Authority and in those contracts there is a consultant staff of 150 staff people currently paid from the \$14 million allocated in the 2006/2007 State Budget. , I would ask that all support the motion.

Member Diridon moved to have the Authority and staff request from the Legislature the full \$103 million for the Authority in the State Budget and declare that the Authority does not support any legislation to remove the bond issue, Member Schenk seconded, which carried 5-0.

Executive Director Morshed reported that the future contracts handled by the Authority more closely resemble the kind of functions Caltrans performs and as of January 1, 2007 the Authority negotiated to transfer the administration functions to Caltrans from CHP.

Executive Director Morshed reported that he and Tony Daniels had a meeting with the Deputy Administrator of the Federal Railroad Administration and his staff. It was a very productive meeting. The FRA will be a partner with the Authority on Environmental documents and the FRA is open to discussions about new regulations regarding high-speed trains.

Executive Director Morshed reported that board members may be contacted for interviews for a new educational program on PBS called "Quest" that will be presenting a story on high-speed rail. The program's staff have already met with Executive Director Morshed.

Executive Director Morshed reported that he met with Caltrans and the Public Utilities Commission staff regarding working together to coordinate activities of the two entities. Creating an open communication will assist in future developments. For example, if new grade crossings are constructed they won't obstruct other projects that are still being developed.

Executive Director Morshed reported that staff is working with the Department of General Services to provide risk assessments and determine what type and level of insurance is needed for the high-speed rail project.

Executive Director Morshed reported on a meeting he had with Congressman Costa. Congressman Costa continues to be helpful and supportive of high-speed and will assist the Authority in keeping the bond measure on the ballot.

Executive Director Morshed reported that the Japanese study group will be visiting with him and staff next week. Japan and the Authority staff will discuss Japan's business processes. They will review with our staff the development of their contracts and the issues that have been encountered in the operation of their high-speed train.

Executive Director Morshed requested that at the next board meeting there be a workshop or more informal process to discuss how to determine the process of moving the high-speed rail project forward.

Mayor Jesus Gamboa of Visalia

Mayor Gamboa came to express his and the City of Visalia's support for the high-speed rail project. Visalia is pleased about the Fresno – Palmdale alignment being discussed.

Sacramento – Fresno Preliminary Design and Project-Specific Environmental Contract

Executive Director Morshed reported on the Sacramento - Fresno Preliminary Design and Project-Specific Environmental Contract. A panel conducted oral interviews with three firms. Based on the evaluation of the technical proposals and the oral interviews it was determined that DJM Harris was the highest ranked firm. Executive Director Morshed recommended that the Board allow the Executive Director and staff to enter into a contract. Member Schenk moved to recommend the Executive Director to execute a contract for environmental engineering work, Member Adelman seconded, which carried 5-0.

Fresno – Palmdale Preliminary Design and Project-Specific Environmental Contract

Executive Director Morshed reported on the Fresno - Palmdale Preliminary Design and Project-Specific Environmental Contract. A panel conducted oral interviews with three firms. Based on the evaluation of the technical proposals and the oral interviews it was determined that the joint venture URS/Hatch/ARUP was the highest ranked firm. Executive Director Morshed recommended that the Board allow the Executive Director and staff to enter into a contract. Member Diridon moved to recommend the Executive Director to execute a contract for environmental engineering work, Member Schenk seconded, which carried 5-0.

Los Angeles – San Diego Preliminary Design Project-Specific Environmental Contract

Executive Director Morshed reported on the Los Angeles – San Diego Preliminary Design and Project-Specific Environmental Contract. A panel conducted oral interviews with three firms. Based on the evaluation of the technical proposals and the oral interviews it was determined that HNTB was the highest ranked firm. Executive Director Morshed recommended that the Board allow the Executive Director and staff to enter into a contract. Member Schenk moved to recommend the Executive Director to execute a contract for environmental engineering work, Member Adelman seconded, which carried 5-0.

Request for Proposal for the Project Management Oversight Contract

Executive Director Morshed recommended that an independent entity audit with a level of scrutiny over the Program Management functions to make sure the job is being done effectively and the money is being well spent. Member Diridon moved to approve the Proposal for Project Management Oversight Contract with

the inclusion of board recommendations, Member Adelman seconded, which carried 5-0.

Presentation on Design Criteria

Program Manager Tony Daniels presented an overview of the engineering design criteria.

Public Comment

No Public comment

Meeting adjourned at 11:35 a.m.